



**U. S. DEPARTMENT OF EDUCATION**  
OFFICE OF INSPECTOR GENERAL  
61 Forsyth Street, Room 18T71  
Atlanta, Georgia 30303



July 27, 2004

Mike Davis, President  
Gwinnett College of Business  
4230 Highway 29, Suite 11  
Lilburn, Georgia 30047

Dear Mr. Davis:

This letter advises you of the results of our review of Gwinnett College of Business' administration of the U.S. Department of Education (Department) programs authorized under Title IV of the Higher Education Act of 1965, as amended (Audit Control Number A04-E0005).

We reviewed the College's procedures and controls over the Title IV programs for school years 2001-2002 and 2002-2003. Our objectives were to determine whether the College complied with Title IV requirements for

- Student eligibility (including verification procedures),
- Loan disbursement procedures,
- Return of Title IV funds (refunds),
- Cash management, and
- Default management plans.

To meet the above objectives, we selected a random sample of 60 students who received student loans during the audit period. We reviewed these student files to determine whether the students were eligible for financial aid, verification procedures were followed, refunds were calculated properly and returned to lenders within the applicable timeframe, and loans and grants were disbursed properly. To review cash management of Title IV funds, we verified that Direct Loan funds drawn down from the Department were credited to students' accounts within three business days. We also reviewed the College's default management procedures. Our review was performed in accordance with generally accepted government auditing standards appropriate to the scope of the review described above.

During the course of our review, nothing came to our attention which would lead us to believe that the College did not administer the Title IV loan programs in accordance with applicable laws and regulations or that program expenditures were not allowable or supported. Consequently, we are terminating our review.

Our review was made for the limited purpose described above and would not necessarily disclose all material weaknesses in the College's procedures and controls. Accordingly, the contents of this letter should not be construed as acceptance or approval of the College's practices and procedures. The termination of this review does not preclude further reviews of

this or similar areas by the OIG in the future, nor is our review to be construed as a substitute for any other reviews required by law, license, or accreditation. Also, the termination of this review does not preclude the Department of Education from taking further action concerning any aspect of Gwinnett College of Business.

We wish to express appreciation for the cooperation and assistance extended by your staff during the review. Should you have any questions regarding this review, please contact me at 404-562-6477 or Assistant Regional Inspector General Mary Allen at 404-562-6465. No response to this letter is required.

Sincerely,

*J. Wayne Bynum*

J. Wayne Bynum  
Regional Inspector General  
Region IV

cc: Theresa S. Shaw, Chief Financial Officer, Federal Student Aid  
Sherry Quade, Audit Liaison Official, Federal Student Aid  
Charles Miller, Post Audit Group, Office of the Chief Financial Officer